| 1 | SALES AND USE TAX - LOCATION OF |
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| 2 | TRANSACTIONS |
| 3 | 2002 GENERAL SESSION |
| 4 | STATE OF UTAH |
| 5 | Sponsor: Wayne A. Harper |
| 6 | This act modifies the Sales and Use Tax Act to change the requirements for determining the |
| 7 | location of where certain public utility transactions occur and to address reporting |
| 8 | requirements. This act makes technical changes. This act takes effect on January 1, 2003. |
| 9 | This act affects sections of Utah Code Annotated 1953 as follows: |
| 10 | AMENDS: |
| 11 | 59-12-207, as renumbered and amended by Chapters 5 and 47, Laws of Utah 1987 |
| 12 | Be it enacted by the Legislature of the state of Utah: |
| 13 | Section 1. Section 59-12-207 is amended to read: |
| 14 | 59-12-207. Report of tax collections Point of sale when retailer has no permanent |
| 15 | place of business or more than one place of business is determined by rule of commission |
| 16 | Public utilities. |
| 17 | [All] (1) Any sales and use taxes collected under this part shall be reported to the |
| 18 | commission on forms [which] that accurately identify the location where the [sale or use] |
| 19 | transaction [was] resulting in a tax under this chapter is consummated. [Hf] |
| 20 | (2) For purposes of this part, the location of where a transaction is consummated: |
| 21 | (a) is determined under rules of the commission if: |
| 22 | (i) a retailer has no permanent place of business in the state; or |
| 23 | (ii) has more than one place of business[, the place or places at which the retail sales are |
| 24 | consummated for the purposes of this part shall be determined under rules of the commission. In |
| 25 | those counties where the taxes herein authorized are imposed, public utilities as defined by Title |
| 26 | 54, are not obligated to determine the place or places within any county where public utility |
| 27 | services are rendered, and the commission shall apportion to cities and towns within the respective |



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| 28 | counties, revenues arising from such services, on an equitable basis pursuant to an appropriate |
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| 29 | formula and under rules to be prescribed and adopted by it.]; and |
| 30 | (b) is where a purchaser receives the following products or services sold by a public utility, |
| 31 | as defined in Section 54-2-1, to that purchaser: |
| 32 | <u>(i) gas;</u> |
| 33 | (ii) electricity; or |
| 34 | (iii) telephone services. |
| 35 | (3) The form required under Subsection (1) shall: |
| 36 | (a) accompany the sales and use tax returns required under this chapter; and |
| 37 | (b) identify the location of any transaction consummated during the return filing period. |
| 38 | (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the |
| 39 | commission shall make rules regarding the determination of the location of where under |
| 40 | Subsection (2)(a) a transaction is consummated. |
| 41 | Section 2. Effective date. |
| 12 | This act takes effect on January 1, 2003. |
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Legislative Review Note as of 1-11-02 2:41 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel